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PART I

Punjab Government Notifications and Orders

GOVERNMENT OF PUNJAB

DEPARTMENT OF INDUSTRIES AND COMMERCE

(Industries Branch)

NOTIFICATION

The 7th April, 2026

No.IND-INDUOMISC/120/2025-SA-2/I/1362480/2026.- In pursuance of the recommendations of the Group of Ministers made in its meetings held on 30.10.2025 and 22.12.2025, the Council of Ministers, Punjab, in its meetings held on 29.03.2026, considered the matter regarding amendments to the conversion Policy notified vide Notification No. INDUOMISC/120/2025-SA-2/477 dated 09.07.2025. Accordingly, the following amendments to the said notification dated 09.07.2025are hereby made:

(1) Amendment to Clause 4(c) of the Policy dated 09.07.2025:

Clause 4 (c) of the Policy dated 09.07.2025 is hereby amended and replaced as under:

" Plot should be free from all encumbrances like any other mortgage/lien, legal encumbrances etc. However, subject to applicable rules/guidelines, PSIEC may permit the conversion of industrial plots/ sheds mortgaged to banks or financial institutions from leasehold to freehold under the policy dated 09.07.2025 after obtaining No Objection Certificate (NOC) from the concerned bank/financial institution for the conversion.

Further, the concerned bank/ financial institution shall furnish an undertaking to PSIEC affirming that it will return the original lease deed to PSIEC once the allottee submits the duly executed Conveyance Deed/Sale Deed (as applicable) to the bank after the conversion of the plot from leasehold to freehold."

(2) Amendment in Clause 5 (ii) of the Policy:

Clause 5 (ii) of the Policy dated 09.07.2025 is hereby amended and replaced as under:

" 75% remission (i.e. applicable rate 5% of CRP/Collector Rate, whichever is higher) to allottees/ lessees where unearned increase or related clause does not find mention in any current tittle document."

(3) Introduction of Clause 5(c) (i) in the Policy dated 09.07.2025:

Clause 5 (c) (i) is hereby inserted in the Policy dated 09.07.2025 :

" Unearned increase shall not be leviable at the time of family transfer, including transfer due to death of allottee/s. It is further clarified that, conversion of such plot/s shall continue to be governed by the provisions of the policy dated 09.07.2025, as amended from time to time."

(4) Amendment to Clause (c) ,i.e., savings Clause of the General Conditions of the policy dated 09.07.2025:

Clause (c) of the General Conditions of the Policy dated 09.07.2025 is hereby amended and replaced as under:

" With the introduction of this new policy , all previous policies governing the conversion of leasehold industrial plots/ sheds to freehold shall stand repealed. However, notwithstanding such repeal, all approvals granted, shall remain in force and continue to be valid as if this new policy had not been enacted, unless expressly modified or revoked under the provisions of this policy."

(5) Introduction of Clause 5(e) in the Policy dated 09.07.2025:

Clause 5 (e) is hereby inserted in the Policy dated 09.07.2025 :

" This clause shall be applicable in those cases where the seller and purchaser have completed all formalities pertaining to transfer/Permission to Sell/ NOC to Sell of the plot/shed, namely, submission of requisite documents & applicable fees and personal verification of seller and purchaser, as per procedure. In such cases, PSIEC Shall permit purchaser of the plot to complete all the requisite formalities regarding conversion of Plot,i.e. applying for conversion of Plot/shed from leasehold to freehold. Thereafter, PSIEC shall issue a letter of transfer for freehold plot/shed in the name of the purchaser on receipt of applicable processing fee and purchaser shall execute the conveyance Deed of the property with PSIEC within 90 days of issuance of said letter."

(6) Insertion of Note in the Policy dated 09.07.2025:

The following note is hereby inserted in the Policy dated 09.07.2025 after the General Conditions:

" It is clarified that unearned increased shall not be charged from plot holders who have got their plots/ shed converted from leasehold to freehold, even prior to notification of the policy dated 09.07.2025.

GURKIRAT KIRPAL SINGH, IAS
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Department of Industries & Commerce

Chandigarh
The 7th April, 2026

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